

Presenting the CalPERS 2013 Health Plans Transcript

Title: Anthem Blue Cross

Date: August 2012

Narrator:

Through Anthem Blue Cross, CalPERS offers three separate self-insured PPO plans that provide an alternative to HMO coverage and allow freedom to choose your provider and self-refer to specialists.

Mark Johnson is the Senior Managing Consultant handling the CalPERS account for Anthem Blue Cross.

Mark Johnson:

Anthem Blue Cross is looking forward to our 15th year as the medical benefits administrator for over 360,000 CalPERS Preferred Provider Organization (PPO) plans members in 2013.

PPO medical plans represent a distinctly different delivery approach compared to HMO plans. Unlike an HMO plan, PPO plans do not require the designation of a primary care physician. PPO plan members have freedom to choose physicians including specialists without the need of an authorization, referral or approval. This explains why a PPO plan identification card does not include the name of a designated primary care physician or medical group.

Now let's review the 3 PPO plan options:

PERSCare offers the highest level of coverage of the three CalPERS PPO plans, but the plan premium rates are substantially higher because of declining membership, an older average age and much higher utilization of benefits.

PERS Choice is the flagship PPO plan having about 85% of CalPERS PPO enrollment. Like PERSCare, PERS Choice offers the full Anthem Blue Cross PPO network access of 60,000 participating physicians and over 390 hospitals within California.

One of the big advantages of the CalPERS Health Benefits Program is the ability to offer employees and under age 65 retirees with competitive PPO plan coverage at an affordable premium cost. PERS Choice compares very favorably in plan benefit coverage and premium cost with PPO plans offered by public and private employers.

In 2013, PERS Select will continue to offer an extremely compelling value for CalPERS members. PERS Select offers the availability of the same benefit coverage as PERS Choice, but with 2013 premiums that will be 27% less than PERS Choice. These lower premiums are achieved by having the PERS Select benefit design direct members to lower cost Anthem Blue Cross contracted physicians and hospitals.

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PERS Select will continue in 2013 as the overall lowest priced medical plan offered within the CalPERS Health Benefits program. The 2013 PERS Select family premium for many CalPERS members will be almost \$300 per month less expensive than the second least costly CalPERS plan option.

Additionally, PERS Select will now be available in all 58 California counties.

The key similarities between the three PPO plans are: they all feature a \$500 member deductible per calendar year; \$1,000 per family, a \$20 office visit copay, 100% routine preventive coverage, a \$50 emergency room copay and unlimited lifetime maximum benefit coverage.

The key differences between the three PPO plans are: there's 90% coverage on PERSCare, and 80% coverage on PERS Choice and PERS Select with participating providers after the calendar year \$500 has been met.

Then there's a \$2,000 PPO maximum out-of-pocket member cost share on PERS Care and there is a \$3,000 PPO maximum out of pocket member cost share with PERS Choice and PERS Select.

Services that do not apply toward the \$500 member calendar year deductible are the \$20 physician office visit copay, prescription copays and emergency room copays.

The \$500 per member calendar year deductible applies to other medical services such as surgeries, inpatient and outpatient hospital admissions, chiropractic care, behavioral health services, physical therapy, x-rays and imaging scans.

Services for non-participating providers are reimbursed at approximately 60%. The approximate 40% member share does not apply toward the \$3,000 maximum.

To summarize, here's how copays and the annual deductible are applied under PERS Choice coverage:

Outside of copays for office visits, ER visits and prescriptions, a PERS Choice member is responsible for the first \$500 of his or her yearly medical costs.

Once the member has paid a total of \$500, the plan transitions and the patient pays 20% of the PPO plan negotiated costs.

Once the member's 20% co-pays reach an aggregate total of \$3,000 within a calendar year the plan transitions again. He or she is then covered for 100% of

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their medical costs for the remainder of that year regardless of the magnitude of costs connected with a catastrophic illness when using in-network providers.

PERSCare, PERS Choice and PERS Select are offered to retirees, who are 65 years of age or older, on a Supplement to Medicare arrangement where using a preferred provider network is not applicable.

Under these plans, the Supplement to Medicare plan covers Medicare Part A and Part B deductibles and the balance of most medical coinsurance obligations.

There are no medical copayment obligations like Basic plan coverage and members receive the same prescription drug coverage offered on the Basic plans for under age 65 members.

The key with Supplement to Medicare coverage is receiving medical care from providers who participate in Medicare.

When a medical provider participates in Medicare and accepts Medicare assignment, the member pays nothing.

The provider accepts Medicare's allowed amount as payment in full.

When a provider participates in Medicare, but does not accept Medicare assignment, the total amount the Member may pay is what the Provider bills minus what Medicare pays and the Supplement to Medicare plan pays. In most cases, the provider will accept what Medicare allows and the Medicare limiting amount (which is capped at 15%) as payment in full.

Finally when a member receives services from a provider that does not participate in Medicare and does not accept Medicare assignment, the total amount the member pays will be what the provider bills.

Locating a participating Anthem Blue Cross provider for Basic plan coverage is easy through our Provider Finder link easily accessible through our CalPERS microsite.

The "Find a Doctor" link on the home page takes you directly to the appropriate provider finder link sequence. There is a separate provider finder link for PERS Select.

The PPO plans offer a comprehensive array of disease management programs, our Future Moms pregnancy program, 24/7 nurse line services and online resources such as Web MD, My Anthem and Healthy Living. Special discount programs are available through our CalPERS microsite.

If you're interested in enrolling with PPO coverage, ask yourself this question;

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“Am I willing to pay more than I would with HMO coverage to have greater ability to self-direct my health care and receive covered services from the elite medical professionals and hospitals around the country without the need of a referral or authorization?”

Anthem Blue Cross has been pleased to provide this information on PERSCare, PERS Choice and PERS Select.

We urge existing and interested CalPERS PPO members to make use of our dedicated CalPERS customer service unit or through our CalPERS microsite.

Thank you from Anthem Blue Cross.

Narrator:

We know that deciding on the right health plan is a very important decision for you and your family.

To help you with this task we have the Health Plan Chooser. To access the Chooser, visit CalPERS online and select the Health Benefits Program from the “Quick Links” area of our home page. You will find a link to the Chooser in the “Shortcuts” menu. This tool is available year-round and provides key information in one location.

Please make a note of the displayed contact information for each of our health plan partners. Please make sure that you type in the web addresses exactly as they appear here to ensure that you receive CalPERS specific information.

We appreciate your time and attention. This webcast will be available in the CalPERS Online Video Center until December 2013 so please feel free to check back during this time for anything you may have missed.

Please join us on Facebook and follow us on Twitter.

Thank you and have a great day.